

SECRETARY OF STATE

An Agency Profile Prepared by the
Legislative Fiscal Division

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INTRODUCTION

The Secretary of State provides services to Montana's voters, business community, and governmental agencies. The Secretary of State exists under authority granted in Article VI of the Montana Constitution. The primary statutory reference defining duties and responsibilities of the office is found in Title 2, Chapter 15, Part 4 of the Montana Code Annotated.

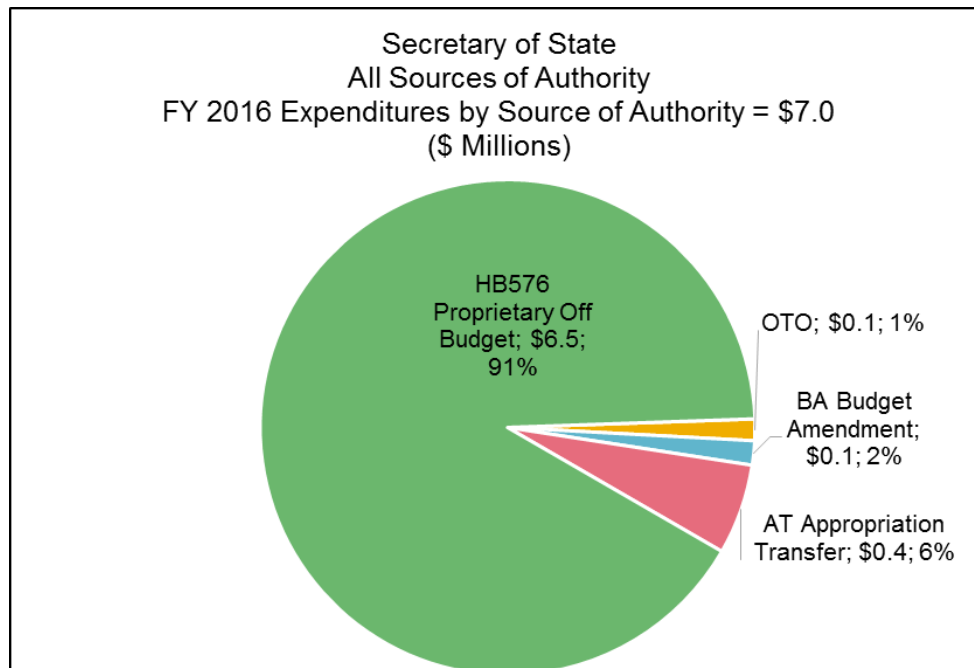
HOW SERVICES ARE PROVIDED

The office is comprised of one program, the Business and Government Services Program, which consists of five divisions. Services provided within the office include:

- Interpreting state election laws and overseeing state and federal elections
- Maintaining the official records of the executive branch and the acts of the legislature
- Reviewing, maintaining, and distributing public interest records of businesses and nonprofit organizations
- Publishing administrative rules adopted by state departments, boards, and agencies
- Attesting to the governor's signature on executive orders, proclamations, resolutions, extradition papers, and appointments
- Preserving the state seal
- Filing and maintaining records of secured financial transactions, such as liens
- Serving on the state Board of Land Commissioners and the Board of Examiners
- Serving on the Capital Finance Advisory Council
- Commissioning notaries
- Providing public records management guidance and technical assistance

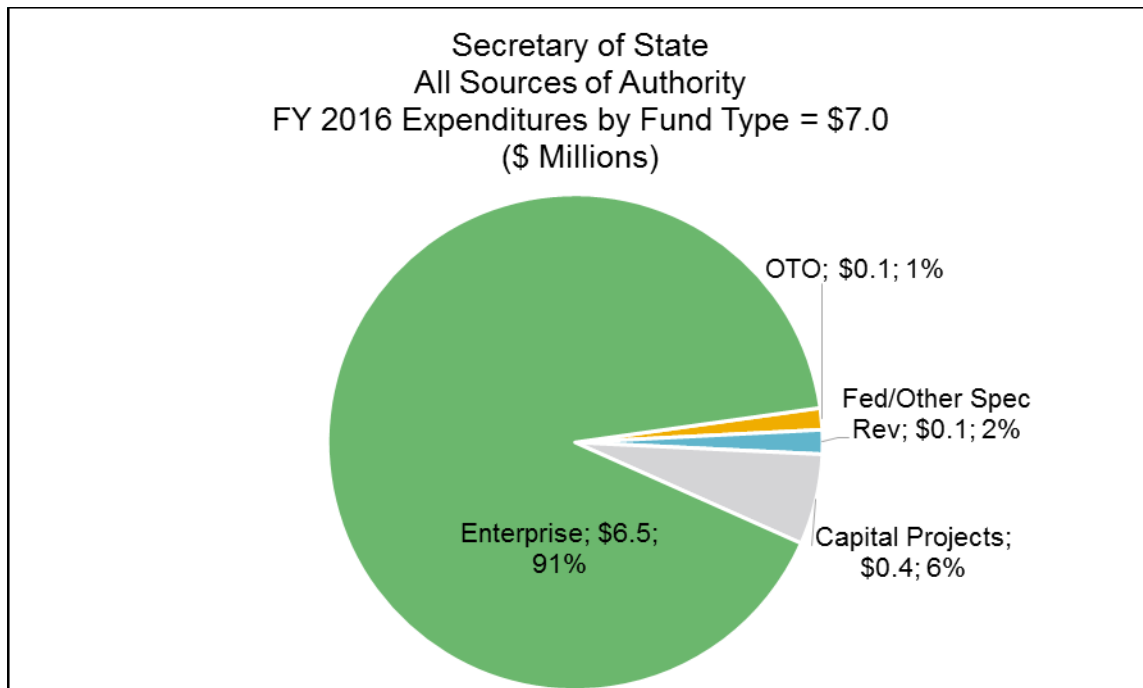
SOURCES OF SPENDING AUTHORITY

The chart below shows the sources of authority for the Secretary of State that were expended in FY 2016. The office receives the majority of its spending authority from proprietary funds derived from fees for services, document sales, and other fees established in statute.



FUNDING

As stated above, the Secretary of State is primarily funded through proprietary funds. The table below shows FY 2016 actual expenditures by fund type for all sources of authority.



The Secretary of State did not have HB 2 authority for funding that is considered ongoing; therefore, the office does not have a HB 2 funding table in this profile. Beginning in FY 2003, the federal Help America Vote Act of 2002 (HAVA) provided federal special revenue for election reform initiatives. The legislature has provided authority for this funding through one-time-only appropriations.

EXPENDITURES

The office did not have HB 2 authority for expenditures that are considered base costs; therefore, the office does not have an expenditure table in this profile

HOW THE 2017 LEGISLATURE CAN EFFECT CHANGE

In order to change expenditure levels and/or activity, the legislature might address the following elements:

- Laws associated with election law requirements and duties
- Laws that impact the frequency of interactions between the office and those served

MAJOR COST DRIVERS

Expenditures incurred by the office are driven by:

- Number of businesses within Montana that use business services
- Elections and additional costs incurred if a recount is required
- Volume and type of state agency records
- Volume of legislative bills
- Number of notaries and complaints against notaries

Element	FY 2008	FY 2014	FY 2016
Documents processed for registration of new Montana domestic corporations	5,625	2,788	2,720
Documents processed for registration of new Montana foreign corporations	1,652	1,678	1,635
Documents processed for registration of new Montana domestic limited liability corporations	8,840	9,241	11,342
Documents processed for registration of new Montana foreign limited liability corporations	1,072	1,486	1,635
Total Annual Reports	96,411	121,868	131,131
Average document processing turnaround time	10 days	2-5 days	7 days
Customer services telephone wait time	3 minutes	20 seconds	1.50 minutes
Online services available	17	14	14

FUNDING/EXPENDITURE HISTORY

Since HAVA funding provided for the office has been one-time-only appropriation by the 2009, 2011, 2013 and 2015 Legislatures, a table showing the last six years of funding and expenditures is not included in this profile.

For more information on the agency, please visit their website, here: <http://sos.mt.gov/>.